



The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Dynamic Systems Incorporated

File: B-233282

Date: February 15, 1989

DIGEST

1. Award to higher priced, higher technically rated offeror is not objectionable where technical considerations substantially outweighed cost in solicitation award criteria, and the agency reasonably concluded that the awardee's superior proposal provided the best overall value.

2. Where the evaluation criteria, listed in descending order of importance, provided that the personnel factor had more than twice the importance of any other evaluation factor, and the agency nevertheless evaluated the personnel factor at 3.98 times the weight of the next important factor, the protester was not prejudiced where the record indicates that evaluation and rescoring of the proposals in a manner which accurately reflected the solicitation's stated evaluation scheme would not have affected the outcome of the award.

3. Disparity in scores among evaluators does not alone signify that the evaluation of proposals was unreasonable or biased where there is no evidence in the record to suggest that the technical scoring by the individual evaluators reflected anything other than their reasonable judgments as to the relative merits of a given proposal.

DECISION

Dynamic Systems Incorporated (DSI) protests the award of a contract to National Systems Management (NSM) under request for proposals (RFP) No. N00600-88-R-1063, issued by the Department of the Navy to procure acquisition planning support, procurement documentation, production surveillance, and progress reporting for a number of airframes, engines, avionics, missiles, ordnance and related items in support of Navy, Air Force and foreign military sales programs. The Navy decided that NSM's slightly higher-priced proposal offered the greatest value to the agency based upon its technical superiority. DSI principally contends that the

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award to NSM was not in accordance with the RFP's evaluation criteria and that the technical evaluation of DSI's proposal was unreasonable.

We deny the protest.

The RFP contemplated the award of an indefinite quantity time and materials contract. The RFP listed the following evaluation criteria in descending order of importance: 1) personnel qualifications; 2) corporate experience; 3) technical understanding and approach; and 4) facilities. The RFP provided that personnel was the most important factor and was more than twice as important as any other factor. Offerors were advised that price was not expected to be the controlling factor in the award decision except between substantially equal technical proposals. The solicitation included level-of-effect estimates for certain labor categories--such as Senior Industrial Specialist, Industrial Specialist, and Program Analyst. The offeror's proposed fixed labor rate times the estimated manhours for each category, as well as certain other direct costs and travel expenses, basically provided the basis for price evaluation. Offerors were further advised that the Navy would award a contract to the proposal offering the greatest value to the government from a technical and price standpoint.

Three firms submitted proposals. DSI's and NSM's proposals were found technically acceptable and included in the competitive range. In evaluating proposals, the Navy used a weighted technical factor of 60 percent and a weighted cost factor of 40 percent to calculate each proposal's greatest value scoring (GVS). Discussions were held with the offerors in the competitive range and the firms were subsequently requested to submit best and final offers (BAFOs). Results of the final evaluation were as follows:

<u>Offeror</u>	<u>Technical Score</u> (Maximum 1630)	<u>Price</u>	<u>GVS</u>
DSI	1380.75	\$4,468,300	90.8
NSM	1503.5	\$4,749,167	92.8

NSM received the highest GVS and the Navy determined that NSM offered the greatest value to the agency based upon its technically superior ranking. Award was made to NSM on October 11, 1988.

In its protest, DSI objects to the award on the ground that the Navy did not follow its stated evaluation criteria. Specifically, DSI contends that the Navy weighted the

technical evaluation factor, personnel, as 3.98 times more important than the next most significant factor, corporate experience, while the RFP stated that personnel qualifications would only be weighted "more than twice any other factor." DSI also argues that within the personnel qualifications, subfactor weighting was applied to specific disciplines listed under each labor category for key personnel, although subfactor weighting was not identified in the RFP.

The Navy concedes that in the original scoring, personnel was evaluated as 3.98 times more important than corporate experience, the second most important factor. The Navy also concedes that the evaluation involved the weighting of subfactors although the RFP listed subfactors without priority and without any expressly stated weighting. The Navy argues, however, that the Navy's weighting of the personnel factor and the subfactors was not prejudicial to DSI. Specifically, the Navy reevaluated the proposals, weighting the personnel qualifications at 2.5 times more important than corporate experience and also rescoring the subfactors, giving each equal weight. This recomputation resulted in no significant difference in the scoring. The Navy, based on this recalculation, believes that NSM maintained its superiority and still offered the greatest value to the government.

We do not believe DSI was prejudiced by the Navy's failure to use the stated weights in its evaluation. As stated above, the record indicates that the Navy rescored the proposals assigning the weights in a manner which accurately reflected the RFP's evaluation scheme. While the rescoring of the proposals did result in a decrease in the difference in technical merit between the DSI and NSM proposals, NSM maintains a technical advantage over DSI. More importantly, a greatest value rescoring also concluded that NSM still offered the greatest value to the government.

DSI, however, takes exception to the manner in which the Navy rescored the evaluation of proposals, specifically the fact that in order to meet the 2.5 weighting, the Navy left the maximum possible personnel points alone and adjusted the corporate experience points upward, instead of simply reducing the weight of the personnel factor. However, even using DSI's method for recalculating the scores, NSM still achieves the greatest value scoring. In this regard, DSI, while recognizing that NSM, under its own calculations, still has the greatest value scoring, contends that because the GVS differential is small, the proposals should have been considered technically equal, thereby making price the determinative factor.

The record indicates, however, that the Navy did not consider the two proposals to be technically equal.^{1/} The Navy specifically found that the personnel offered by NSM exhibited a superior expertise in the area of acquisition and production support that was vital to its mission. The Navy determined that due to their requirement for intensified management throughout the acquisition process, the high technical capability and proven performance record of NSM outweighed the additional price of \$280,867. This Navy determination has not been shown to be unreasonable. In this regard, award to a higher-rated, higher-cost technical proposal is not objectionable where, as here, the solicitation award criteria made technical considerations substantially more important than cost, and the agency reasonably concluded that the awardee's superior proposal provided the best overall value. See BDM Management Services Co., B-229287, Feb. 1, 1988, 88-1 CPD ¶ 93. We therefore see no reason to disturb the results of the Navy's evaluation.

Next, DSI argues that its failure to obtain the contract award was due to an improper evaluation of its technical proposal. Specifically, DSI protests the evaluation of its proposal with respect to the following: (1) deduction of points for DSI's failure to supply corporate management resumes and for failure to use the term "work request" properly and (2) the agency's determination that DSI failed to clearly delineate the lines of communications between DSI and its subcontractor, Hadron Incorporated.

Initially, we note that the evaluation and scoring of technical proposals is the function of the contracting agency, and our review of the allegedly improper evaluation is limited to the determination of whether the evaluation was fair and reasonable and consistent with the stated evaluation criteria. Delany, Siegel, Zorn & Assocs., B-224578.2, Feb. 10, 1987, 87-1 CPD ¶ 144.

With regard to the agency's alleged deduction of points for failure to supply corporate management resumes, DSI asserts that during discussions, prior to submission of BAFOs, it was told that separate management resumes were not necessary since no points had been deducted for failure to include the resumes, and none would be gained by submitting them with the BAFO. DSI contends that based on its review of the

^{1/} According to the Navy, after rescoring, NSM enjoyed a 6.18 percent higher technical score at a price only 5.9 percent higher than DSI's price. DSI's calculations vary slightly from these figures.

evaluation documents, it is clear that one evaluator did in fact deduct points because of the absence of resumes.

The record demonstrates that DSI's proposal was rated very good under the factor, corporate experience, scoring 92.4 percent of the total possible points. Our review of the evaluation documents shows, contrary to DSI's assertions, that deductions were made not for DSI's failure to provide corporate resumes, but rather, DSI's failure to clearly delineate the lines of responsibility within its proposed organization. Thus, DSI's allegation that the Navy improperly evaluated the lack of corporate resumes is simply erroneous.^{2/}

Additionally, concerning its evaluation, DSI contends that the Navy improperly deducted points for its alleged failure to clearly delineate the lines of communications between DSI and Hadron. DSI again asserts that the information was included in its proposal. The Navy evaluators felt that the relationship between DSI and Hadron should have been addressed more clearly. The record indicates that during discussions the Navy made it known to DSI its belief that the relationship between DSI and Hadron was undefined. However, in its BAFO, DSI merely stated that Hadron personnel would perform a significant amount of work, and Hadron personnel and their supervisors never appeared on any of DSI's organizational charts. The burden is on the offeror to submit sufficient information with its proposal so that the agency can make an intelligent evaluation. The Communication Network, B-215902, Dec. 3, 1984, 84-2 CPD ¶ 609. The record does not indicate that the Navy was unreasonable in finding that DSI had failed to adequately define its relationship with Hadron. The fact that DSI disagrees with the Navy's judgment does not invalidate it. See Structural Analysis Technologies, Inc., B-228020, Nov. 9, 1987, 87-2 CPD ¶ 466.

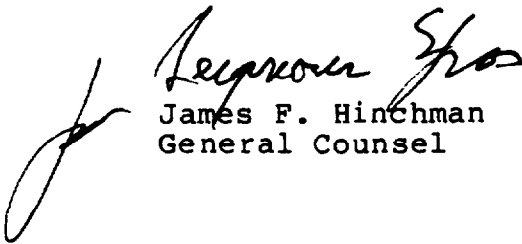
Finally, DSI contends that because one of the four members of the technical evaluation committee scores deviated so significantly from the scores of the other three evaluators that it deserves no credence. According to DSI, eliminating

^{2/} With respect to the Navy's deduction of points under the corporate experience factor for DSI's improper use of the term "work request," the record shows that the deductions were inconsequential and did not affect the selection decision. See Employment Perspective, B-218338, June 24, 1985, 85-1 CPD ¶ 715; Lingtec, Inc., B-208777, Aug. 30, 1983, 83-2 CPD ¶ 279. Accordingly, we need not separately discuss the matter.

this evaluator's scores would result in DSI having the greatest value score.

A disparity in scores among evaluators does not necessarily signify that the evaluation of proposals is unreasonable. See Digital Radio Corp., B-216441, May 10, 1985, 85-1 CPD ¶ 526. Since evaluating proposals involves subjective as well as objective judgments, we have long recognized that it is not unusual for individual evaluators to reach disparate conclusions when judging competing proposals. See Mounts Engineering, 65 Comp. Gen. 476 (1986), 86-1 CPD ¶ 358. Here, there is no evidence in the record to suggest that the scoring by any of the members of the technical evaluation committee reflected other than their reasonable judgments as to the merits of the proposals.

The protest is denied.



James F. Hinchman
General Counsel